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MEMORANDUM FOR THE PRESIDENT

SUBJECT: Progress Report on the Implementation of Recommendation
No. 4 of the Report to the President by the President's
Board of Consultants on Foreign Intelligence Activities

1. The President, after consideration of agency comments thereon, has directed action as indicated below, on the following recommendation of the President's Board of Consultants on Foreign Intelligence Activities:

Recommendation: "With regard to the integration of the Intelligence Community, we are convinced that a strong centralized direction, under which the resources of the various elements would be brought closer together, would do much to strengthen our national intelligence effort and to contain its cost. We therefore recommend that action be taken toward this end, both through the National Security Council and the Director of Central Intelligence."

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Action: "Approve, and refer to the Director of Central Intelligence for action in consultation with the Secretary of Defense and member agencies of the Intelligence Advisory Committee."

In approving the above action the President has directed that a progress report on the implementation thereof be submitted to him by May 1, 1957.

2. The President's Board of Consultants indicated that drastic changes in the structure of our national intelligence organization are not required and that progress toward the objective of the recommendation can be effected without change in present statute or organization. Therefore, in order to progress toward the attainment of the objective of this recommendation, no measures have been considered which would require legislation to charge the Director of Central Intelligence with executive rather than coordinating responsibilities in the Intelligence Community as at present.

3. The Central Intelligence Agency has carefully reviewed the National Security Council Intelligence Directives with a view to making recommendations to bring them up-to-date and eliminate weaknesses disclosed by the years of Community operations and understanding. Specifically, the Director of Central Intelligence has recommended

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revision of National Security Council Intelligence Directive No. 1
which will:

(a) Delineate more closely the statutory responsibilities placed upon the Director of Central Intelligence with respect to the National Security Council and the national intelligence effort and upon the Central Intelligence Agency as the organization headed by the Director of Central Intelligence;

(b) Simplify certain definitions for purposes of accuracy and to conform to practices developed by experience;

(c) Extend to other departments and agencies the prohibitions heretofore placed only on the Director of Central Intelligence against "duplicating activities and research of the various departments and agencies" and requiring that all such "make full use as far as practicable of existing facilities of other members of the Intelligence Community" to ensure prior coordination in the interest of economy and efficiency.

4. With regard to coordinating responsibilities and functions concerning the production of national intelligence, the organization of the Agency provides a suitable mechanism in the Office of National Estimates and the Board of National Estimates for effecting the staff

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work and resolving many problems prior to action by the Intelligence Advisory Committee and this mechanism affords leadership in this field among the working levels of the IAC community. In the field of clandestine collection abroad, Director of Central Intelligence Directive No. 5/1 has provided a suitable mechanism for coordinating the agreed collection activities of the Armed Forces with those of the Central Intelligence Agency. This mechanism is developing into a satisfactory coordinating implement.

5. With regard to the nonsubstantive aspects of intelligence, particularly collection activities, development of material and equipment in support of collection and in research of possible intelligence application, there has been no mechanism comparable to the Office of National Estimates and the Board of National Estimates for providing the staff support and guidance essential. The Central Intelligence Agency proposes to effect necessary changes in its own internal structure and with cooperation of other IAC agencies to establish a mechanism which can review the Intelligence Community and make recommendations to the Intelligence Advisory Committee and the National Security Council as necessary for reallocating our concentrated resources to fulfill our intelligence requirements in the most effective and economical manner.

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6. Internal changes in the Agency will involve designation of a Deputy Director for Coordination and the adjustment of some staff and clerical positions. This Deputy will be charged with responsibility for conducting study and review of possibilities for increasing integration, reducing duplication, and improving coordination among elements of the Central Intelligence Agency and in consultation with representatives of the IAC agencies for improving coordination within the national intelligence effort. Appropriate recommendations can be brought to the attention of the Director of Central Intelligence and in turn to the Intelligence Advisory Committee and the National Security Council as required.

7. To insure a more effective collaboration within the Intelligence Community in the production of current intelligence relating to the national security, the Director of Central Intelligence, after discussions with the Intelligence Advisory Committee, is instituting systematic consultation procedures over and above the usual exchanges of views and information in this field. These procedures will provide a means whereby departmental views on the selection and treatment of current intelligence items are reflected in CIA's current intelligence production.

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8. In summary, a revision of the National Security Council Intelligence Directives to place departmental and national intelligence responsibilities in a proper focus, the establishment within the Intelligence Community of a mechanism for coordination of nonsubstantive aspects of intelligence such as now exists for the analytical, estimative, and substantive aspects, and some simplification of procedures, can do much to correct deficiencies which the President's Board has noted in this respect if all departments and agencies give the effort their full and unqualified support.

9. The substance of this report in draft has been discussed with a representative of the Secretary of Defense, and a proposed revision of National Security Council Intelligence Directive No. 1 which will facilitate the carrying out of this recommendation has been presented to the Intelligence Advisory Committee for consideration. [REDACTED]
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ALLEN W. DULLES
Director

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